

**GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA**

UNSTARRED QUESTION NO:1768

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Share of India Post

Ram Shri Vishnu Dayal;Sawant Shri Arvind Ganpat;Singh Shri Pashupati Nath

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the market share of Indian Postal Service is declining swiftly in comparison to Indian courier companies;
- (b) if so, the details thereof and the reasons therefor;
- (c) the steps taken by the Government to compete with the courier companies and to upgrade and modernise its delivery system;
- (d) whether the tariff of courier companies is comparatively higher than the India post; and
- (e) if so, the details thereof and details of mandate with Government to regulate the tariff of courier companies in favour of the customers?

Answer

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)

(a) & (b) No, Madam. There is no decline in the market share of the Indian Postal Service in comparison to the courier companies in the country. In contrast, the market share of Speed Post in the overall courier market has increased. As per study done by M/s Indian Market Research Bureau (IMRB) International in the year, 2013, the total courier industry in India is valued at Rs. 5, 246 crore in 2012-13. The IMRB study brings out that the share of Speed Post in the overall courier market has increased from 15.1% - 18.3% in the year 2010-11 to 16.7% - 19.8% in the year 2011-2012 and 17.4% - 20.2% in the year 2012-13. In the subsequent years also the traffic of Speed Post registered increase from 36.99 crore in 2013-14 to 39.87 crore in 2014-15 and 41.43 crore in 2015-16. Likewise, the revenue of Speed Post also increased from Rs.1372.21 crore in 2013-14 to Rs. 1495.21 crore in 2014-15 and Rs.1600.45 crore in 2015-16.

(c) Various steps have been taken by the Department to compete with the courier companies to upgrade and modernize the delivery system. Project Arrow was conceived of as a major Project for Quality Improvement, besides Modernization of the Post Offices. Project Arrow has improved the quality of 'Core Operations' and also provided standardized 'Look & Feel' to the Post Offices across the country. 'Mail Network Optimization Project' has improved the mail operations including the delivery system. The Comptroller and Auditor General of India vide Report No. 20 of 2015 had conducted a test check to compare the performance/quality of Speed Post service of DoP with private courier agencies. As per that report, 98 %, 99.05% and 100% letters were delivered by Speed Post of DoP in local areas, major cities and tehsil level as compared to 93.55%, 92.17% and 83.50% by the private couriers.

(d) & (e) Department of Posts does not regulate the courier companies and has no mandate to regulate the tariff thereof.
